

Alaska & Yukon

Stocks and Bonds

ISSUE #3

ALASKA RARE COINS, P.O. BOX 72832, FAIRBANKS, ALASKA 99707 907-452-6461 akcoins@mosquitonet.com

THE DEMISE OF KENNICOTT

From

“The Mineral Industry of Alaska in 1937” USGS Bulletin 910-A
and

“The Mineral Industry of Alaska in 1938”, USGS Bulletin 917-A
by Philip S. Smith

1937: “Practically all of the Alaska copper comes from mines that have been developed primarily for the copper content of their ores, but there is a small amount of copper recovered as a byproduct through the treatment of ores principally valuable for their content of gold or some other metal. The ore mined primarily for its copper content came from mines in the Copper River region near Kennecott owned by the Kennecott Copper Corporation and the Mother Lode Coalition Mines Co., and operated as a more or less single unit, except for accounting purposes. The ore at these mines consists mainly of high-grade copper sulphide and carbonate containing considerable silver but no gold. The ore deposits lie near the contact of a thick limestone formation and an effusive greenstone. The deposits are of a unique type and have yielded hundreds of millions of pounds of copper in the 25 years that they have been mined. Obviously, all mineral deposits are exhaustible, so that it is not strange that after these years of heavy output the further life of these deposits appears to be short. That this is recognized by both these companies is clear from statements in their recently published annual reports. According to the annual report of the Kennecott Copper Corporation regarding its Alaskan property, which forms but a minor part of that company’s copper mining operations:



“Development work failed to disclose any new ore possibilities, and therefore it is now expected to discontinue all

operations at Kennecott in the latter part of 1938 upon completion of the mining of the remaining tonnage of ore.

With only a small copper production and mounting costs, cessation of these operations will not be a serious matter to your Corporation.

“The situation at the copper mines of the Mother Lode Coalition Mines Co. near Kennecott was essentially similarly described by its management in the company’s annual report. After reciting the fact that the extremely limited future life of the mine had been forecast in the preceding report, the report states:

“Nothing has occurred since then to alter the situation or change this conclusion. * * * Therefore the total quantity of copper still to be sold after January 1, 1938, should amount to about 5,900 tons. Barring unforeseen interruptions in operations, all remaining tonnage of ore in the mine should be extracted by the early summer of this year, after which the mine will have to be abandoned.

“Considerable difficulty was experienced by both these large copper mines as well as by other Alaska enterprises

continued on page 30

EDITOR'S COMMENTS

The Memorial Day weekend offered the opportunity for Jan and I to get out of Fairbanks. Our plan called for driving to Delta Jct., and then heading south to Valdez.

We have lived in Alaska for nearly 30 years. We had never been to McCarthy and Kennicott. The road from Chitina to McCarthy has the reputation of being one of the worst in the state. We thought that since this was early in the season, the road might not be too bad. So, the decision was made, and we turned off the Richardson Highway on the Edgerton Cut-off and headed to Chitina.

The road is paved to Chitina, and then it follows the roadbed of the Copper River and Northwest Railway to the Kennicott River. There, the road ends, and one must cross the river on a footbridge to get to McCarthy. Kennicott is another 4.5 miles.

The road was in excellent shape and we arrived in McCarthy at about 8PM. The following morning, we walked to Kennicott. The mine is built on the side of a mountain at about 2,000 feet. The buildings show severe signs of decay, with the exception of those that have been restored. Kennicott is interesting in that much of it is privately owned, while the rest is owned by the National Park Service. The debate is whether to let the rest of the buildings continue in the natural process to decay and collapse, or to restore them. If the NPS had their way, they would allow them to disintegrate. After all, they blew up (yes, with explosives) an antimony mine in Denali National Park. Fortunately, it seems the current feeling is that the buildings should be stabilized, and then restored.

We walked the length of the mine site, but did not do much exploring. A guide is really needed for that, and we did not have the time to wait for the next tour.

We walked back to where we could catch the shuttle bus back to McCarthy. When the shuttle arrived, the passengers were all excited. They had seen three bears on the drive out. That would be three bears on the road we had just walked an hour or so earlier!

Looking back on the trip, I know that we will have to go to Kennicott again. We did not have the time to hike up to the Bonanza Mine at 6,000 feet. I am told that copper nuggets can be found there, and we need one for our indoor garden!

PRICES REALIZED

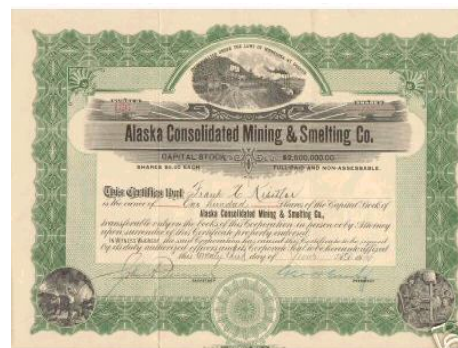
Format is name of company, abbreviated or shortened, page in *Alaska & Yukon Stocks and Bonds*, followed by page position, 1-5, auction and price realized. All from eBay unless otherwise noted.

Admiralty Alaska, 1-2	12.50
Admiralty Alaska, 1-2	23.38
AK & Cape Nome, 5-1	OB250.00NB
AK & Cape Nome, 5-1	OB250.00NB
AK & Cape Nome, 5-1	135.00
AK & Cape Nome, 5-1	OB100.00NB
Alaska Anthracite, 6-1	50.99
AK BMTTCo. #2-13 prospectus	167.82
AK BMTTCo. #2-21 bond offer	57.32
Alaska Cannel Coal, 9-2	OB9.00NB
Alaska Cannel Coal, 9-2	OB9.00NB
Alaska Central Railway, 10-2	887.00
Alaska Con. Copper, 14-1	OB9.99NB
Alaska Con. Copper, 14-1	15.50
AK Copper Corp., 17-2	23.00
Alaska Gold Mines, 29-1	OB145.00NB
Alaska Gold Mines, 29-1	45.00OBRL
Alaska Gold Mines, 29-1	26.50
AK Trans. & Dev., 70-1	226.39
AK TTM&M, 70-2	4.25
AK TTM&M, 70-2	5.86
AK TTM&M, 70-2	14.99OB
Alaska United Copper, 74-2	51.21
Alaska United Gold Mining, 75-2	OB115.00NB
Arctic Alaska Fisheris, #2-16	OB9.99NB
Arctic Alaska Fisheris, #2-16	7.50RL
Arctic Alaska Fisheris, #2-16	20.55
Arctic Alaska Fisheris, #2-16	6.99
Beaver Dredging, 98-2, Holabird	25.00
Clara Foltz, #1-7	BIN @ 185 RL150.00OB
Consolidated Alaskan, 124-2small 1904	28.03
Consolidated Alaskan, 124-2small 1906	28.03
Consolidated Alaskan, 124-2sm 1906	OB9.99NB
Daly Alaska, 138-1	OB100.00NB
Granite Gold Mining, 158-1	57.00
Good Hope Bay, 157-2, Holabird	25.00
Hubbard-Elliott, 163-2	22.47
Nome & Sinook, 220-1, Holabird	15.00
Nome & Sinook, 220-1, Holabird	25.00OB
Nome GD&P Co., #1-8	102.50
Nome GD&P Co., #1-8	283.00
North Midas, 230-1	9.99OB
Puget Sound, 264-1	OB350.00NB
Puget Sound, 264-1	RLOB350.00NB
Puget Sound, 264-1	RLOB350.00NB

continued on page 29

Alaska Consolidated Mining & Smelting Co.

Origin: MN Date: /1914
 Color, front: Black and green
 Color, back:
 Cap/Shares: Capital Stock \$2,000,000 @
 Vignette: Mining scene and smelter with scenes in lower corners
 Size, MM:
 Printer:
 Other Information:
 Source: eBay
 Price Realized: \$51.03



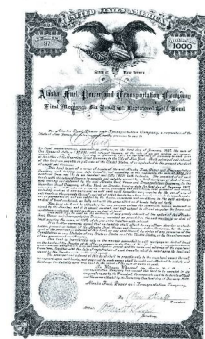
Alaska Fuel, Power and Transportation Company

Origin: NJ Date: /1906
 Color, front:
 Color, back:
 Cap/Shares: Capital Stock \$1,000,000 @ \$10 per share
 Vignette: Underground miners, two small in upper corners
 Size, MM:
 Printer:
 Other Information:
 Source:
 Price Realized:



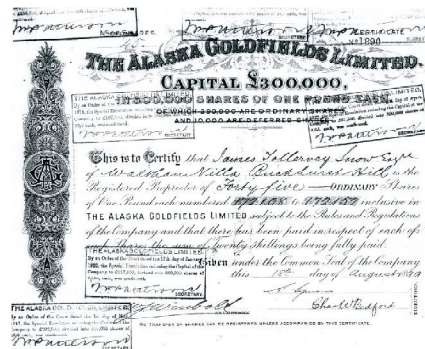
Alaska Fuel, Power and Transportation Company

Origin: NJ Date: /1907
 Color, front: Brown and black
 Color, back: Brown
 Cap/Shares: First Mortgage Six Per Cent. Registered Gold Bond for \$1000
 Vignette: Eagle and shield
 Size, MM: 240 x 380
 Printer: The Broun-Green Co., 48 John St. N.Y.
 Other Information:
 Source:
 Price Realized:



Alaska Goldfields Limited

Origin: United Kingdom Date: /1899
 Color, front: Black
 Color, back: Black
 Cap/Shares: Capital Stock £300,000 @ £1 per share
 Vignette: Scroll to left
 Size, MM:
 Printer:
 Other Information: 7 overprints reducing capital dated, 1916-1922.
 Source: Jim Robb
 Price Realized:



Alaska Gold Exploration and Development Co.

Origin: WA Date: /1910
 Color, front: Black with gold underprint
 Color, back:
 Cap/Shares: Capital Stock \$1,000,000 @ \$1 per share
 Vignette: Mining valley
 Size, MM:
 Printer:
 Other Information:
 Source: eBay
 Price Realized: \$47.89

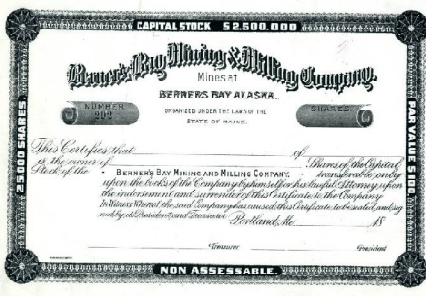


02/29/2004



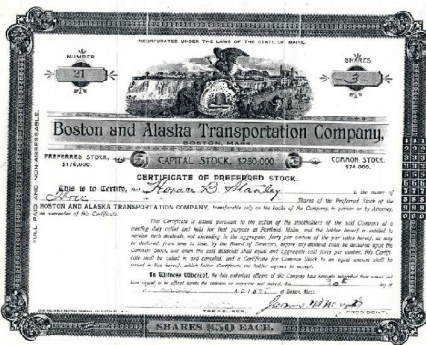
Alaska-Endicott Mining and Milling Co.

Origin: WA Date: 1915/1917
 Color, front: Black with underprint
 Color, back: Green and black
 Cap/Shares: Capital Stock \$1,200,000 @ \$1 per share
 Vignette: Eagle
 Size, MM:
 Printer:
 Other Information: Similar to 79-2, but different vignette
 Source: eBay
 Price Realized: (2) \$41.03, net \$20.50 each



Berner's Bay Mining & Milling Company

Origin: ME Date: 18xx (unissued)
 Color, front:
 Color, back:
 Cap/Shares: Capital Stock- 25,000 shares @ \$100 per share
 Vignette: None
 Size, MM:
 Printer: Brooks Bank Note Co., Boston
 Other Information:
 Source:
 Price Realized:



Boston and Alaska Transportation Company

Origin: ME Date: /1898
 Color, front:
 Color, back:
 Cap/Shares: Capital Stock \$250,000 @ \$50 per share
 Vignette: Eagle, bee hive, industries
 Size, MM:
 Printer: John Polhemus Printing Company, 121 Fulton St., N.Y./A.B. King
 Other Information:
 Source:
 Price Realized:



The Bull & Bear Gold Mining Co.

Origin: Date:
 Color, front: Black, green and gold
 Color, back:
 Cap/Shares: Claim Certificate
 Vignette: Similar to Great Cariboo Gold Mining Company (159-2)
 Size, MM:
 Printer:
 Other Information: Novelty item??
 Source: ebay
 Price Realized: \$75.00OB



California Juneau Gold Mines Ltd.

Origin: DE Date: 1931/1931
 Color, front: Orange and black; Green and black
 Color, back:
 Cap/Shares: Capital Stock
 Vignette: None
 Size, MM:
 Printer: Hamilton Bank Note
 Other Information:
 Source: Holabird
 Price Realized:

The Cape Nome Mining and Dredging Co.

Origin: /1900
 Date: /1900
 Color, front: Orange and black
 Color, back:
 Cap/Shares: Capital Stock \$25,000 @ \$1 per share
 Vignette: Eagle and shield
 Size, MM:
 Printer: H.S. Crocker Co. San Francisco
 Other Information:
 Source: eBay
 Price Realized: \$102.50



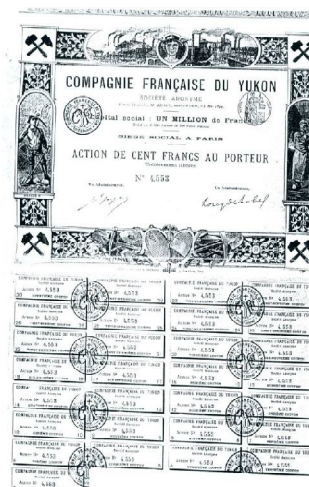
Colorado Alaska Prospecting and Mining Co.

Origin: /1900
 Date: /1900
 Color, front: Black with gold underprint
 Color, back:
 Cap/Shares: Capital Stock
 Vignette: Underground miners
 Size, MM:
 Printer:
 Other Information:
 Source: eBay
 Price Realized: 27.36



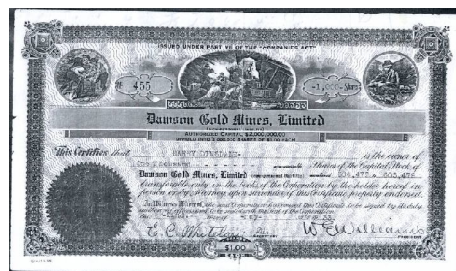
Compagnie Francais du Yukon

Origin: France
 Date: 1899
 Color, front: Brown on yellow
 Color, back:
 Cap/Shares: Capital Stock 1,000,000 Francs @ 100 Francs per share
 Vignette: Industrial city above, miner to left, blacksmith to right
 Size, MM:
 Coupons: Yes
 Printer: Imprimerie G. Richard; 7, Rue Cadet, Paris
 Other Information:
 Source:
 Price Realized:



Dawson Gold Mines, Limited

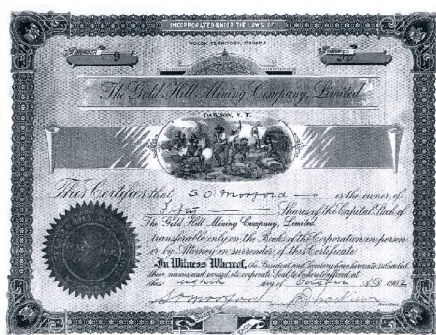
Origin: Canada
 Date: /1933
 Color, front: Black with brown underprint
 Color, back: Green
 Cap/Shares: Capital Stock \$2,000,000 @ \$1 per share
 Vignette: Three mining scenes
 Size, MM: 250 x 145
 Printer: Goes 56
 Other Information:
 Source: Lee Poleske
 Price Realized:



Eldorado Mining and Milling Co.

Origin: AK
 Date: /1913
 Color, front: Dark blue
 Color, back: Dark blue
 Cap/Shares: Capital Stock \$1,000,000 @ \$1 per share
 Vignette: None
 Size, MM: 267 x 219
 Printer:
 Other Information: Mined on Cleary Creek, Fairbanks District. See page 30.
 Source: eBay
 Price Realized: \$338.77





The Gold Hill Mining Company, Limited

Origin: YT

Date: /1902

Color, front:

Color, back:

Cap/Shares: Capital Stock not stated. Certificate for 50 shares

Vignette: Mining scene

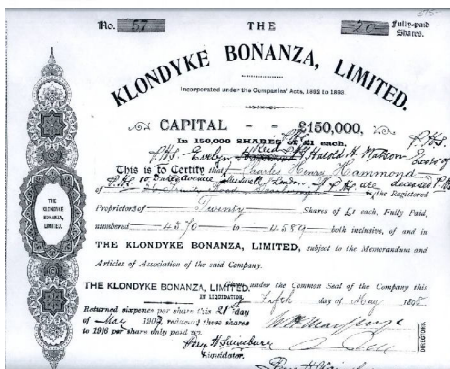
Size, MM:

Printer: Lowman & Hanford Stationery & Printing Co.

Other Information: Nice pick and shovel on embossed shield

Source:

Price Realized:



The Klondyke Bonanza, Limited

Origin: United Kingdom Date: /1898

Color, front:

Color, back:

Cap/Shares: Capital Stock £150,000 @ £1 per share

Vignette: Scroll to left

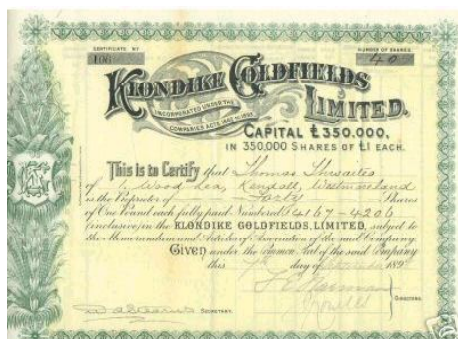
Size, MM:

Printer:

Other Information: Overstamped for liquidation, 1907 (see page 188 of book)

Source: Jim Robb

Price Realized:



Klondike Goldfields Limited

Origin: UK

Date: /1898

Color, front: Black, green and yellow

Color, back:

Cap/Shares: Capital Stock £350,000 @ £1 per share

Vignette: none

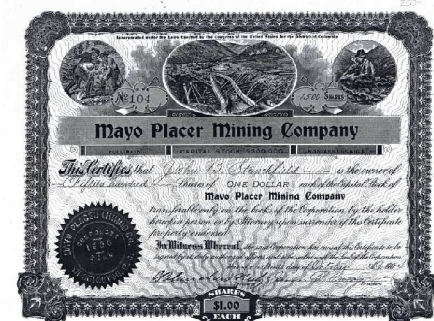
Size, MM:

Printer:

Other Information: Listed as 184-1, additional information and image

Source: eBay

Price Realized: \$49.990B



Mayo Placer Mining Company

Origin: D.C.

Date: 1904/1904

Color, front:

Color, back:

Cap/Shares: Capital Stock \$300,000 @ \$1 per share

Vignette: Three mining scenes

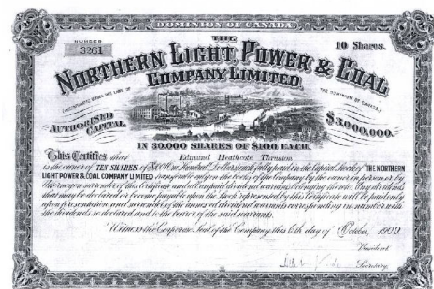
Size, MM:

Printer: Goes

Other Information:

Source: Jim Robb

Price Realized:



The Northern Light, Power & Coal Company, Limited

Origin: Canada

Date: /1909

Color, front: Green and black

Color, back: blank

Cap/Shares: Capital Stock \$3,000,000 @ \$100 per share

Vignette: Industrial city

Size, MM: 310 x 205 without coupons

Coupons: Yes

Printer: Waterlow & Sons Limited, London Wall, London, E.C.

Other Information:

Source: Lee Poleske

Price Realized:

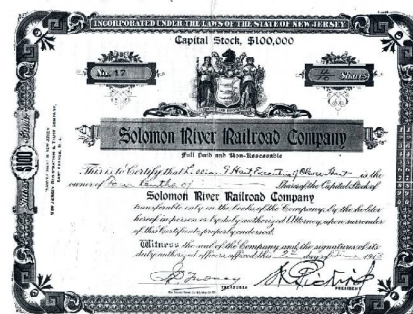
Seward Gold Mining Company

Origin: ME Date: unissued
 Color, front: Green
 Color, back:
 Cap/Shares: Capital Stock \$5,000,000 @ \$10 per share
 Vignette: None
 Size, MM: 259 x 175
 Printer: T. Groom & Co., Stationers, Boston
 Other Information: Mines at Seward
 Source:
 Price Realized:



Solomon River Railroad Company

Origin: NJ Date: /1913
 Color, front:
 Color, back:
 Cap/Shares: Capital Stock \$100,000 @ \$100 per share
 Vignette: Seal of New Jersey (?)
 Size, MM:
 Printer:
 Other Information: 4/10 of a share
 Source:
 Price Realized:



Thorne Arm Mining Corporation

Origin: AK Date: 1927/1930
 Color, front:
 Color, back:
 Cap/Shares: Capital Stock \$300,000, share value not stated.
 Vignette: Large mining scene, four more smaller scenes at borders
 Size, MM:
 Printer: Goes 93½
 Other Information:
 Source: Mike Barnhart
 Price Realized:



Yukon Gold Company

Origin: ME Date: 1907/1917
 Color, front: Black and green
 Color, back:
 Cap/Shares: Capital Stock \$17,500,000 @ \$5.00
 Vignette: Winged woman holding globe
 Size, MM: 280 x 204
 Printer: New York Bank Note
 Other Information:
 Source: Holabird
 Price Realized: \$184.00



NOT ALASKAN

Or Yukon, or even North American for that matter. Stock of **Great Northern Gold Dredging, Limited** is dated 1930. We are told this is from Manchuria, now part of China.

The British-Canadian Gold Fields Exploration Development and Investment Co., Ltd (107-2) is described in an eBay listing: "additional research shows that it actually operated at the junction of North Fork and Lemon Creeks near Slocan, B.C."

ALASKAN BONANZA MINING, TRADING & TRANSPORTATION COMPANY

We recently purchased the stock from a local book seller. Most of the books were Alaska related.

One of the most popular early books about the gold rush is "*The Chicago Record's Book for Gold Seekers*."

One of the copies of his book was stamped in gold "Souvenir Edition" at the top. Then, below the title, "Presented by the Alaskan Bonanza Mining, Trading & Transportation Company, Chicago." And finally at the bottom "To Richard Barrett."

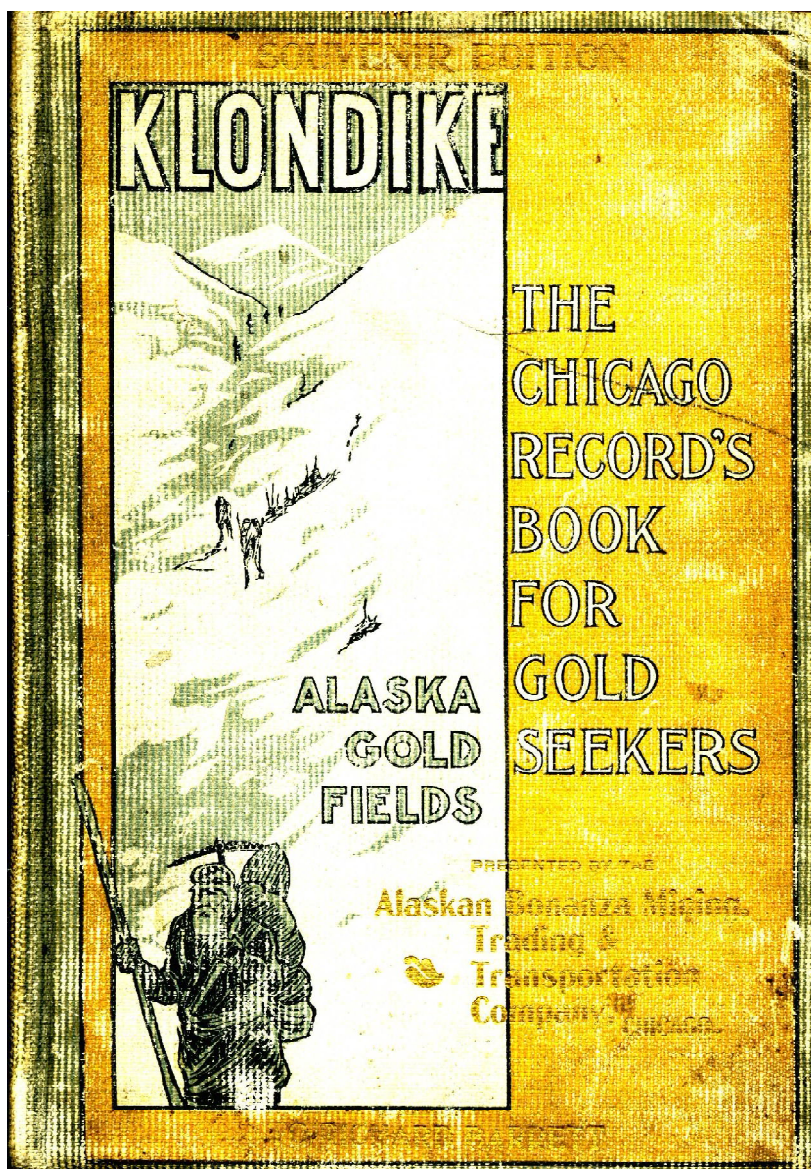
Featured in the last issue, it is your editor's opinion that this company was a scam. I would be very happy if a reader could document otherwise. Now, with this opinion in mind, they certainly did a good job, down to the point of giving away this book with, I presume, an investor's name stamped on it.

This book normally sells for \$50 to \$75. For this presentation copy, we are asking \$150, postpaid.

* * * * *

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PRICES REALIZED, CONT.

Puget Sound, 264-1	OB79.99NB
Puget Sound, 264-1	RLOB79.99NB
Puget Sound, 264-1	RL79.99OB
Reynolds Alaska, 266-2 or 3, Holabird	OB40.00NB
Valdez Hydraulic, 296-2	68.00OB
Williams=Gentzler, 2-19	110.27

OB = Opening Bid
RNM = Reserve Not Met
R = Reserve
BIN = Buy it now

NB = No Bid
NS = Not Sold
B/B = Buy/Bid
RL = relist

Spikes from the CR&NM Railway, from our walk from McCarthy to Kennicott - \$7.50 pp.

KENNICOTT, CONT.

owing to the shipping strike, which started in October 1936 and was not settled until February 1937. During that time the usual operation of the railroad was entirely disrupted. Even after the settlement of the main controversies the decreased labor efficiency and undercurrents of unrest seriously impaired the normal operations of getting the copper ore to the states.”

1938: “Unfortunately ore deposits are exhaustible, and there comes a time when even the largest mines must close down because they can no longer find ore that will pay for extraction. During the season of 1938 this situation was reached at those famous mines near Kennecott. According to the annual report to its stockholders the Mother Lode Coalition Mines Co. announced the facts regarding its property in the following terms:



“In the midyear statement you were advised that operations at the mine were terminated on July 31, 1938, because of the exhaustion of the ore body * * * no new ore body was found during 1938. After termination of mining operations the mine was closed down, all equipment having any net salvage value was removed from the mine and shipped out for sale * * *. The mining property is now carried on the balance sheet as \$1.00.

“The situation at the Kennecott Copper Corporation’s Alaska properties is thus stated in the company’s annual report to its stockholders:

“The Alaska property was operated until the latter part of October, when all ore of commercial value was exhausted and the property closed down.

“Besides the direct effects resulting from the closing of these mines there were many important related changes brought about by this action. Of these perhaps the most significant was the suspension of operation of the Copper River & Northwestern Railway that served the whole Copper River region lying between Cordova and

Kennecott. As the main revenue of this railroad was derived through traffic afforded by these mines, it could not afford to keep running when that income ceased. The result of this situation is summarized in the report of the Kennecott Copper Corporation:

“Accordingly train service was discontinued on November 14 following the completion of all mining in October and the operating force was reduced to 20 men by the end of the year. Application was made to the Interstate Commerce Commission for permission permanently to abandon the road and a public hearing was held on January 16, 1939.

“The records of these great mines mark a series of brilliant achievements in the history of Alaska mining, and their closing forms a distinct loss not only to the mining industry but also to the development of the whole Territory.”

See pages 180 and 181 of *Alaska & Yukon Stocks and Bonds* for stocks from the Kennecott Copper Corporation, and page 213 for Mother Load Coalition Mines.

Mother Lode Copper Mines Company of Alaska was sold to Kennecott, and shares issued in the Mother Lode Coalition Mines. A proxy certificate for this sale can also be found on page 213.

* * * * *

ELDORADO MINING & MILLING CO.

From **Lode Mining in the Fairbanks District, Alaska** by J.B. Mertie, Jr., USGS Bulletin 662-H.

“The Eldorado Mining & Milling Co. is working a lode on two claims on the southeast side of Cleary Creek, just above the mouth of Willow Creek. This is the only silver-lead lode in the district that is being worked at the present time.

“An open cut and a 40 foot shaft are the principal workings. The country rock is a fine-grained quartzite, and the vein as exposed in the open cut ranges in thickness from 3 to 12 inches and lies parallel with the structure of the country rock. The ore at present being mined is argentiferous galena with considerable pyrite. The value of the ore taken from the shaft, as given to the writer by one of the lessees, classes this as a good commercial ore of silver and lead. The ore also carries a little gold.”